

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Engineering

AGENDA DATE: May 3, 2005

CONTACT PERSON/PHONE: Irene Ramirez, P.E. Ext: 4431

DISTRICT(S) AFFECTED: 2

SUBJECT:

That the City Manager be authorized to sign a Contract for Power Service and Agreement for Thermal Energy Storage Rider Service to the El Paso Electric Company to provide electrical service to the Animal Shelter Facility located at 5001 Fred Wilson Road, El Paso, Texas.

BACKGROUND / DISCUSSION:

The agreement is necessary in order to provide service for the new Animal Shelter Facility.

PRIOR COUNCIL ACTION:

No prior item has been submitted to City Council.

AMOUNT AND SOURCE OF FUNDING:

No funding required.

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD:  _____
(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a Contract for Power Service and Agreement for Thermal Energy Storage Rider Service to the El Paso Electric Company to provide electrical service to the Animal Shelter Facility located at 5001 Fred Wilson Road, El Paso, Texas.

ADOPTED THIS ____ DAY OF _____, 2005.

THE CITY OF EL PASO

Joe Wardy
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

for *R. Hayes*
Theresa Cullen Garney
Deputy City Attorney

APPROVED AS TO CONTENT:

Rick Conner
Rick Conner, P.E.
City Engineer

**CONTRACT FOR POWER SERVICE
AND AGREEMENT FOR
THERMAL ENERGY STORAGE RIDER SERVICE
FROM EL PASO ELECTRIC COMPANY**

THIS CONTRACT FOR POWER SERVICE AND AGREEMENT FOR THERMAL ENERGY STORAGE ("TES") RIDER SERVICE ("AGREEMENT") is entered into this ____ day of _____, 200_, by and between EL PASO ELECTRIC COMPANY, a Texas corporation (hereinafter "the Company"), and City of El Paso, Acc. No. 1050003 – 2010319 (hereinafter "the Customer").

- a. The Company will supply and sell, and the Customer will take and pay for, electric service required for the operation of the Customer's facility located within the Company's Texas service territory, under the terms set forth in this Agreement.

The electric service provided by the Company pursuant to this Agreement shall be provided under the terms of the applicable rate schedule and all replacements thereof as may be effective and on file from time to time with any regulatory or governmental bodies having jurisdiction over the sale of electricity contemplated by this Agreement. The Customer agrees to be bound by and comply with all terms and conditions of the applicable rate schedule, a copy of which is attached to this Agreement as "Appendix A" and incorporated by reference. Except as otherwise provided in this Agreement, all terms used in this Agreement shall have the same meaning as those used in the Company's tariffs as may be on file and in effect from time to time with any regulatory or governmental bodies having jurisdiction over the sale of electricity contemplated by this Agreement.

- b. The Customer agrees to pay the Company for all electric energy, delivered in accordance with the terms of this Agreement, pursuant to the rates and provisions in Appendix A attached hereto. It is understood and agreed, however, that if said rates or provisions are ordered or authorized changed by any competent governmental, regulatory, or other body having jurisdiction, such change(s), shall be applied as if incorporated as part of this Agreement, upon the effective date of the change(s).
- c. This Agreement shall remain in effect for an initial term of five (5) years from its execution date, unless earlier terminated by the Company pursuant to provision i below. Following the initial term, this Agreement shall continue in force and effect until terminated by either the Company or the Customer. Termination may only be effected by written notice one year prior to the date of termination, unless otherwise agreed by the parties.

- d. The Customer represents that it currently fulfills all conditions for applicability of the TES rider as set forth in the applicable rate schedule (Appendix A) and that it shall continue to fulfill all such conditions so long as this Agreement remains in effect.
- e. The Customer elects to take service under the TES rider and agrees that the TES system, including all eligible equipment, shall be separately metered. The Customer shall give the Company reasonable access to inspect the Customer's facility for compliance with the separate metering requirements of the TES rider. A list of all equipment to be served under the TES rider, as agreed upon by the Customer, is attached hereto as "Appendix B" to this Agreement and incorporated by reference. Unless otherwise agreed to by the parties to this Agreement, no other equipment is eligible for service under the TES rider. The Customer agrees that it must obtain Company approval prior to adding or removing equipment from the TES rider meter.
- f. ***The Company has evaluated and approved Customer's TES system for no purpose other than determining eligibility for this incentive. The Company makes no representations as to the reliability or efficiency of the TES system, and the Company specifically disclaims any express and implied warranties, and any warranties of merchantability and/or fitness for a particular purpose whatsoever regarding the design or use of the approved TES system.***
- g. During the term of this Agreement and so long as the Customer is taking service under the TES rider, no other rate rider or option shall apply to any electric service sold to the Customer by the Company.
- h. ***The Company will reasonably endeavor to provide the Customer a regular and uninterruptible supply of electric service; but in case the service is interrupted, irregular, defective or fails, as a result of injunction, fire, strike, riot, explosion, flood, accident, breakdown, acts of God or a public enemy, other acts or conditions beyond the Company's control, or as the result of the ordinary negligence of any employee, servant or agent of the Company, or as a result of the voluntary cooperation by the Company in any method of operation or in any program recommended or requested by civil or military authorities during a national, state or local emergency, the Company, its directors, officers, employees, agents, and/or representatives shall not be liable to the Customer. Furthermore, the Company shall not be liable for damages occasioned by interruption of service when such interruptions are necessary to make repairs or changes in the Company's equipment and/or facilities. The Customer hereby expressly waives any right to assert, and releases the Company from, claims against the Company for***

any damages, costs, expenses or fees of any kind caused by or resulting from any interruption, irregularity, defect or failure described in this paragraph.

- i. The due date of the bill for utility service under this Agreement shall not be less than 16 days after issuance of the bill by the Company. Upon notice of disconnection to the Customer, the Company may disconnect service to the Customer if, within twenty-six (26) days from the date of issuance of the bill by the Company for utility service, payment has not been received by the Company or the Customer has not made arrangements with the Company for payment of the bill. Should the Customer be in default in the payment of any sums due under this Agreement, then this Agreement shall, at the election of the Company, be terminated, and the parties shall thereby be severally released from all obligations hereunder, save in rights of action or payments then already accrued.

Any dispute with reference to the amount due for service shall not excuse the Customer from paying, at the time when payment is called for by this Agreement, the amount stated by the Company to be due, but the Customer shall be entitled to recover any amount which it may have paid in excess of the amount actually found to be due.

- j. This Agreement shall not be binding upon either party unless and until it has been duly executed by both parties.

(Effective as of the date set forth above)

**CUSTOMER
THE CITY OF EL PASO**

Joyce A. Wilson, City Manager

APPROVED AS TO FORM:

Theresa Cullen-Garney
Theresa Cullen-Garney
Deputy City Attorney

APPROVED AS TO CONTENT:

Rick Conner
Rick Conner, P. E.
City Engineer

El Paso Electric Company

By: Frank H. Vejl
Signature

Name: FRANK H. VEJIL

Title: SUPERVISOR, DISTRIBUTION DESIGN

Date: 4/18/05

Appendix “A”

Agreement for Thermal Energy Storage Rider Service

Applicable Rate Schedule Schedule No. 24 – General Service Rate

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24 GENERAL SERVICE RATE

APPLICABILITY

The General Service Rate is available to all customers for lighting, power and heating service with a highest measured demand as defined by the Determination of Demand. All service will be taken at one point of delivery designated by the Company and at one of the Company's standard types of service. Service under this rate shall be limited to customers who otherwise do not qualify for service under the Company's other commercial service rates and whose thirty (30) minute average kilowatt demand is (i) greater than 15 kilowatts and (ii) does not exceed 600 kilowatts for three (3) consecutive months during the months of May through October. A new customer whose estimated monthly demand exceeds 600 kilowatts three (3) consecutive months during the aforementioned period will not be eligible for this rate schedule and will be billed in accordance with the billing provisions of Rate Schedule No. 25.

TERRITORY

Texas Service Area

MONTHLY RATE

\$13.00 Customer Charge plus

Demand Charge

\$12.75 per kilowatt for all kilowatts of Demand

Energy Charge

\$0.04589 per kilowatt-hour for the first 200 hours times the maximum measured demand. (R)

\$0.03593 per kilowatt-hour for the next 150 hours times the maximum measured demand. (R)

\$0.02295 per kilowatt-hour for all additional kilowatt-hours. (R)

MONTHLY MINIMUM

Customer charge plus the greater of 15 kilowatts of demand or applicable minimum demand charge.

DETERMINATION OF DEMAND

Maximum demand will be defined as the highest measured thirty (30) minute average kilowatt load determined by measurement.

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after

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24 GENERAL SERVICE RATE

The billing demand will be the highest of:

- A. 15 kilowatts of Demand, or
- B. the maximum measured demand, or
- C. 60% of the highest measured on-peak demand established during the billing months of May through October in the 12-month period ending with the current month. The exception to this will occur when the 1/2 on-peak - 1/2 off-peak provision is invoked. At that time, the measured billing demand shall be used for the purposes of this paragraph.

For customers with demands in excess of 300 KW for 3 consecutive months, the demand used for billing will be 1/2 the on-peak period demand plus 1/2 the off-peak demand when the demand established during the daily off-peak exceeds the demand established during the daily on-peak period.

On-peak period shall be from 10:00 A.M. to 8:00 P.M., Mountain Standard Time, for weekdays Monday through Friday.

Off-peak period shall be all other hours of the week not covered in the on-peak period.

The Company may refuse service to another customer at the same address when service is terminated to avoid or evade payment of the minimum demand charges as set forth in this rate.

PRIMARY VOLTAGE DISCOUNT

If electric service is delivered at one of Company's standard primary voltages and the Company is not providing a transformation solely to serve the customer and if the customer owns, operates, and maintains all the facilities for receiving such service at delivery voltage, the following primary voltage discount (PVD) will be given:

PVD = \$0.60 per kilowatt of measured demand.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24
GENERAL SERVICE RATE

OFF-PEAK WATER HEATING RIDER

For domestic electric water heating service (swimming pool water heating, commercial dishwasher water heating and water heating utilized for space heating excluded). The service shall be metered on a circuit which shall include only water heating elements and exclude all other service. Periods of electric supply service may be scheduled to conform to off-peak conditions of the Company's system, the Company reserving the right to change the off-peak periods of supply to meet the changing off-peak conditions of its system. The Company, at its option, will furnish and connect to the customer's wiring and retain ownership of a time switch or suitable device to regulate the hours of use.

Service under this schedule shall be limited to water heaters of thirty (30) gallons or more capacity. All water heaters will be controlled by a thermostat and if two (2) or more heating elements are used, the water heater will be wired so that only one element will operate at one time. The minimum wattage of all heating elements shall total not less than 3,000 watts. Service may be limited where customer has an abnormally large connected load, and is only available as a secondary service in conjunction with a main service.

MONTHLY RATE - OFF-PEAK WATER HEATING

\$1.00 Customer Charge plus

\$0.04401 per kilowatt-hour for all kilowatt-hours (R)

MONTHLY MINIMUM - OFF-PEAK WATER HEATING

Customer Charge

OFF-PEAK DEMAND RIDER

When a customer who takes service under this rate establishes an average monthly off-peak demand greater than or equal to three (3) times the average monthly on-peak demand, then the maximum on-peak monthly demand shall be utilized for the determination of billing demand.

MONTHLY RATE

\$13.00 Customer Charge plus

Demand Charge

\$24.00 per kilowatt of demand

Energy Charge

\$0.00729 per kilowatt-hour (R)

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24 GENERAL SERVICE RATE

Determination of Demand (Off-Peak Demand Rider)

Maximum demand will be defined as the highest measured thirty (30) minute average kilowatt load determined by measurement.

On-peak period shall be 8:00 A.M. to 10:00 P.M., Mountain Standard Time, for weekdays of Monday through Friday.

Off-peak periods shall be all other hours of the week not covered in the on-peak period.

Terms and Conditions

A customer requesting service under the Experimental Off-Peak Demand Rider must sign an agreement for an initial one (1) year term after which the customer must sign subsequent one (1) year agreements with the Company. The Company, however, is under no obligation to renew any agreement for service under this rider. This rider may not be taken in conjunction with any other rider offered under this rate.

A customer taking service under this rider who fails to maintain an off-peak to on-peak ratio of 3.0 or greater, for that month, shall be billed under the applicable standard rate. In addition, the billing KW will be adjusted upward by 30% to account for noncompliance with the off-peak provisions of this rider.

Any customer who fails to maintain an off-peak to on-peak ratio of 3.0 or greater for two (2) consecutive months shall be declared ineligible for this rider for a period of one (1) year and will be billed under the standard rate.

The Company, at its option, may request payment for any special metering installation costs required for the customer to take service under this rider.

THERMAL ENERGY STORAGE RIDER

Available to customers with separately metered Thermal Energy Storage (TES) Systems whose maximum demand does not exceed the maximum demand of the building after completion of the necessary contract arrangements and installation of necessary metering equipment. The billing demand for this separately metered load will be the highest measured thirty (30) minute average kilowatt load established during the on-peak period.

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24 **GENERAL SERVICE RATE**

On-peak period shall be from 11:00 A.M. to 7:00 P.M., Mountain Standard Time for weekdays of Monday through Friday. Off-peak period shall be all other hours not covered in the on-peak period.

No other options or riders are applicable to consumption covered under this rider. Both separately metered TES systems and total building loads must be served under this rate schedule.

The Company reserves the right to close this rider to additional customers if, in the Company's judgment, system load characteristics no longer warrant such a rider.

CHURCH RIDER

The kilowatt demand for billing for churches shall be the highest measured thirty (30) minute average kilowatt load determined by measurement, which has been established during the current billing month. This rider is not applicable to meeting halls, schools or other ancillary buildings which may be associated with the church. At its option, the Company may switch this service to the Alternative Rate applicable to Schedule No. 02, Small Commercial Service Rate. Refer to terms provided under the Terms and Conditions of this Schedule.

FIXED FUEL FACTOR

The above rates are subject to the provisions of Company's Tariff Schedule No. 98 entitled Fixed Fuel Factor.

TERMS OF PAYMENT

The due date of the bill for utility service shall not be less than sixteen (16) days after issuance. A bill becomes delinquent if not received at the Company by the due date.

TERMS AND CONDITIONS

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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 24 GENERAL SERVICE RATE

The Company's Rules and Regulations apply to service under this schedule.

If a customer's highest measured thirty (30) minute average kilowatt load exceeds 600 KW three (3) consecutive times during the months of May through October, that customer shall be placed on the Large Power Service Rate Schedule No. 25 for a minimum of twelve (12) months, at which time a determination will be made for the applicable rate schedule.

If a customer's highest measured thirty (30) minute average kilowatt load has not exceeded 15 KW three (3) consecutive times during the months of May through October, at the Company's option, that customer shall be placed on Schedule No. 02, Small Commercial Service Rate.

Any new customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

If the Company determines that a customer's bill under this schedule is unduly burdensome, the Company may, at its option, bill said customer under Schedule No. 02, Small Commercial Service Rate. Specifically, a customer who operates at less than a ten (10) percent load factor, based on the average of the preceding twelve (12) month period and/or its unit rate is three (3) times greater than the overall base unit rate of the Small Commercial class will qualify for this billing alternative.

For the purpose of this rate schedule, customers is defined as to include all non-public schools and institutions of higher learning or facilities not eligible under Schedule No. 41, municipal, county, State of Texas and federal installations.

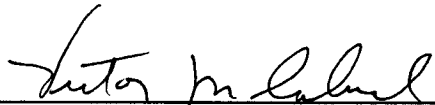
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Appendix "B"

Agreement for Thermal Energy Storage Rider Service

DISTRIBUTION PANEL MDP2										
SERVICE: 480/277 VOLT			3 PHASE		4W 400A.(MCB)		COPPER BUS. SOLID NEUTRAL GROUND BUS			
SIC: 14,000 A/C			BUS:		400 A		NEMA: 1 ENCLOSURE SURFACE			
PROVIDE 15% SPACE FOR FUTURE LOADS										
CKT NO.	LOAD DESCRIPTION				LOAD IN VA			LOAD DESCRIPTION		
	SERVICE	POLE	AMP	VA	PH"A"	PH"B"	Ph"C"	VA	AMP	POLE
1	PUMP 1 - 7.5 HP	3	20	3,045	21,045	-	-	18,000	80	3
3				3,045	-	21,045	-	18,000		
5				3,045	-	-	21,045	18,000		
7	PUMP 2 - 7.5 HP	3	20	3,045	49,063	-	-	46,018	175	3
9				3,045	-	49,063	-	46,018		
11				3,045	-	-	49,063	46,018		
13	PUMP 3 - 3 HP	3	15	1,330	16,359	-	-	15,029	100	3
15				1,330	-	16,910	-	15,580		
17				1,330	-	-	16,308	13,978		
19	PUMP 4 - 3 HP	3	15	1,330	2,272	-	-	942	15	3
21				1,330	-	2,272	-	942		
23				1,330	-	-	2,272	942		
25	PUMP 5 - 3/4 HP	3	15	443	1,773	-	-	1,330	15	3
27				443	-	1,773	-	1,330		
29				443	-	-	1,773	1,330		
31	PUMP P-6 - 3/4 HP	3	15	443	443	-	-			
33				443	-	443	-			
35				443	-	-	443			
37	PANEL HM	3	100	8,534	6,983	-	-			
39				6,983	-	6,983	-			
41				6,983	-	-	6,983			
CONNECTED VA					99,469	98,489	96,887			
CONNECTED AMPS					359	356	350			
DEMAND VA					59,540	88,640	67,196	90% DIVERSITY FACTOR		
TOTAL DEMAND KVA					265.4	480.0	359.2	MAX.AMPS / PH		
DEMAND LOADS MAY VARY FROM CONNECTED LOADS BECAUSE OF CODE DIVERSITIES										

Verified by: 

Date 4/14/05